

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

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In the Matter of

800 Data Base Access Tariffs  
and the 800 Services Management  
System Tariff

DA 93-1164  
CC Docket No. 93-129

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

GTE's REPLY TO OPPOSITIONS

GTE Service Corporation and its domestic affiliated telephone operating companies ("GTE"), through their attorneys, reply to certain Oppositions to waiver requests as follows:

DISCUSSION

**The data on the record being sufficient to support an FCC decision, there is no need for the Commission to require production of confidential data or to prejudice GTE for failing to produce confidential data.**

On September 20, 1993, GTE submitted its Petition for Waiver of the requirement of the *Designation Order*<sup>1</sup> that exchange carriers disclose, on the public record, their cost models used to calculate 800 Data Base rates.<sup>2</sup> On September 20, 1993, GTE submitted its Direct Case as required by the *Designation Order*. GTE provided detailed information in response to all questions and directives and provided all data as required by the *Designation Order*.

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<sup>1</sup> 800 Data Base Access Tariffs and the 800 Service Management System Tariff, CC Docket No. 93-129, Order Designating Issues for Investigation, DA 93-930 (released July 19, 1993) (the "*Designation Order*").

<sup>2</sup> "In the present proceeding, price cap LECs using computer models to develop costs in their direct cases must disclose those models on the record if their justification for their rates is based on the use of the model. If a carrier prefers not to disclose the model it used to allocate costs, it must provide some other justification for its rates." *Designation Order* at paragraph 29, footnote omitted.

GTE's waiver petition seeks to clarify two significant misapprehensions in the *Designation Order* concerning GTE's 800 Data Base tariff filings:

- (1) GTE does not use Bellcore CCSIS models to develop 800 Data Base charges but does employ its own model to determine the appropriate 800 related costs.
- (2) GTE's cost model does contain information proprietary to other entities, *i.e.*, certain vendors. Embodied within this model is intellectual property and technical information, some of which constitute trade secrets.

The *Designation Order* allows those carriers that do not wish to disclose their models on the public record to provide "... some other justification for its rates."<sup>3</sup> GTE submits that the data and information contained in both its tariff filings and Direct Case are sufficient to demonstrate the reasonableness of its costs allocation methods and the resulting rates. Nevertheless, GTE filed a Petition for Waiver of the model disclosure requirement since its imposition on GTE would have serious consequences and would prejudice important business interests of GTE.

Opposition to GTE's petition were filed by MCI, Sprint, Ad Hoc Telecommunications Users Committee and National Data Corporation. Most challenge GTE's petition on the grounds that only full public disclosure of the cost model will provide for adequate review of the proposed rates. GTE submits that disclosure on the public record of all aspects of its model is unwarranted. GTE has provided adequate cost support documentation with its original 800 Data Base tariff filings and in its Direct Case. This support included descriptions of ratemaking methodologies, demand and cost assumptions and details concerning the allocation of costs among various SS7-related services and jurisdictions. For example, in its Direct Case, GTE provided allocation factors where it has allocated certain costs to the 800 Data Base service and a description of how those factors were derived (for example, see page 9 of the Direct

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<sup>3</sup> *Id.*

Case). GTE also identified and described the specific cost components and assumptions used to estimate 800 service demand, including base line demand as well as 800 query projections. Submission of GTE's complete cost model, which also includes certain information and data not directly related to 800 services, will not provide any additional information over and above that is already on the public record.

GTE's 800 Data Base cost model does in fact include proprietary vendor data, including unique pricing arrangements between GTE and its vendors and specific technical information concerning vendor equipment and technology. The importance of maintaining the confidentiality of this information is supported by Northern Telecom's comments in support of GTE's petition. Northern Telecom, a GTE vendor, strongly objects to the disclosure of exchange carrier costing models that contain sensitive Northern Telecom pricing and technical data. According to Northern Telecom (at 4), disclosure of its trade secrets, reflected in the technical documentation of exchange carrier SS7 models, would place it at a severe competitive disadvantage and would cause it irreparable harm. It is wholly unnecessary for the FCC to prejudice the interests of innocent bystanders such as Northern.

**Accordingly**, GTE suggests the following:

First: Inasmuch as GTE has furnished more than enough information for the Commission to determine all controversies without using of confidential data, there is no need for the Commission to require further submissions by GTE or to disadvantage GTE because of not furnishing confidential data covered by the instant waiver request.

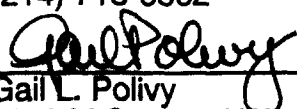
Second: Comments furnished by Northern Telecom Inc. (at 2-4) indicate Northern would suffer grave competitive disadvantages if data Northern provided in confidence to GTE and other exchange carriers is obliged to be provided publicly. Northern (at 5-6) also indicates willingness to consider proposals offered by Bellcore that would safeguard confidentiality. In the event that agreements are worked out

under the aegis of the Commission satisfactory to such parties as Northern, this would take pressure off parties like GTE and be likely to lead to an amicable solution.

Respectfully submitted,

GTE Service Corporation and  
its affiliated domestic  
telephone operating companies

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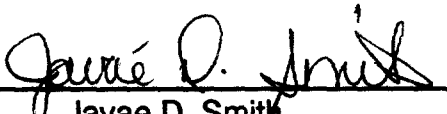
  
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October 19, 1993

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### **Certificate of Service**

I, Javae D. Smith, hereby certify that copies of the foregoing "GTE's Reply to Oppositions" have been mailed by first class United States mail, postage prepaid, on this 19th day of October, 1993 to all parties of record.

  
Javae D. Smith